



CITY COUNCIL
CITY AND COUNTY OF HONOLULU
HONOLULU, HAWAII

ORDINANCE _____
BILL 80 (2017)

A BILL FOR AN ORDINANCE

RELATING TO REAL PROPERTY TAXES.

BE IT ORDAINED by the People of the City and County of Honolulu:

SECTION 1. Purpose. The purpose of this ordinance is to promote ocean friendly practices through real property tax relief.

SECTION 2. Chapter 8, Article 10, Revised Ordinances of Honolulu 1990 ("Exemptions"), is amended by adding a new section to be appropriately designated by the Revisor of Ordinances and to read as follows:

"Sec. 8-10. Exemption—Ocean-friendly restaurants."

(a) For the purposes of this section:

"Ocean friendly restaurant" means a restaurant that has been certified by the Surfrider Foundation as an ocean friendly restaurant and continuously maintains practices that meet the Surfrider Foundation's certification criteria.

"Restaurant" means an establishment that sells prepared food to be eaten by customers."

(a) Real property, or any portion thereof, used for an ocean friendly restaurant shall be exempt from real property taxes to the extent of percent of the assessed value, provided that:

(1) The property is actively and exclusively used for an ocean friendly restaurant;

(2) If an exemption is claimed under this section, an exemption for the same property may not also be claimed under any other section;

(3) The property is owned in fee simple or is leased or rented for a period of one or more years, by the person using the property for the exempt purpose; and

(4) If the property for which the exemption is claimed is leased or rented, the lease or rental agreement must be in force and recorded in the bureau of conveyances or filed in the office of the assistant registrar of the land court."



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SECTION 3. Chapter 8, Article 10, Revised Ordinances of Honolulu 1990 ("Exemptions"), is amended by adding a new section to be appropriately designated by the Revisor of Ordinances and to read as follows:

"Sec. 8-10. Claim for exemption—Ocean friendly restaurants."

- (a) An initial application for exemption under Section 8-10. must be filed with the director by September 30th preceding the tax year for which the exemption is claimed. A copy of a certification from the Surfrider Foundation confirming that the property is used for an ocean friendly restaurant must be filed with the application along with any additional documents determined by the director to be necessary to supplement the application.
- (b) Two years after the initial year for which the property has qualified for an exemption under Sec. 8-10. , and every two years thereafter for as long as applicable, the owner of the property shall file, on or before September 30th, a recertification by the Surfrider Foundation confirming that the property is still used for an ocean friendly restaurant.
- (c) An owner who fails to file for a recertification from the Surfrider Foundation by the respective September 30th deadline will have the exemption cancelled by the director, and the property will be subject to taxes and penalties pursuant to subsection (f).
- (d) In the event the director finds that the initial claim for exemption or subsequent recertification by the Surfrider Foundation submitted by the owner contains false or fraudulent information, or the property fails to meet the requirements of Section 8-10. , the director shall cancel the exemption retroactive to the date the exemption was first granted pursuant to an initial filing under subsection (b), and the property will be subject to the taxes and penalties determined in subsection (f).
- (e) The owner may cancel the exemption by filing a notice of cancellation, and the owner will not be subject to any penalties, provided that the owner has not filed any claim for exemption or any recertification that contained false or fraudulent information.



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- (f) In the event a property is subject to taxes and penalties as provided in subsection (c) or (d), the differences in the amount of taxes that were paid and those that would have been due but for the exemption allowed will be payable, together with interest at 10 percent per annum, from the respective dates that these payments would have been due. The taxes and penalties due will be a paramount lien upon the real property."

SECTION 4. New material is underscored. When revising, compiling or printing this ordinance for inclusion in the Revised Ordinances of Honolulu, the Revisor of Ordinances need not include the underscoring.



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SECTION 5. This ordinance takes effect upon its approval and applies to tax years beginning July 1, 2019, and thereafter.

INTRODUCED BY:

Kimberly Poze

DATE OF INTRODUCTION:

SEP 20 2017

Honolulu, Hawaii

Councilmembers

APPROVED AS TO FORM AND LEGALITY:

Deputy Corporation Counsel

APPROVED this _____ day of _____, 20 _____.

KIRK CALDWELL, Mayor
City and County of Honolulu